



Electronic Access Conference
*e***magine**
2001

Student Financial Assistance

THE U.S. Department of
EDUCATION



Session 14

Rapid Reconciliation and Program Year Close Out



Session 14

Isiah Dupree - DL OPS

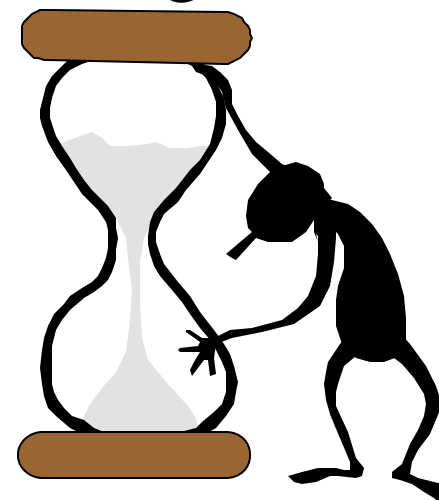
Barbara Davis - CAM San Francisco

Brad Sirstins - LO

What is Rapid Reconciliation?

The process of identifying and assisting schools in their monthly reconciliation and program year close out (PYCO) efforts through:

- Balance verification
- Site visits
- Training





Key Players in this Process

- Loan Origination Center (LOC) Customer Service Representatives (CSRs)
- Reconciliation (Recon) Accountants
- Client Account Managers (CAMs)
- Direct Loan Operations (DLOPS)



Contact Telephone Numbers

- Your Customer Service Representative or Reconciliation Accountant at the LOC
(800) 848-0978 or
loan_origination@mail.eds.com
- Your regional Client Account Management Staff (see list on following slide)
- Direct Loan Operations (202) 205-6466



Regional CAM Contact

<u>Region</u>	<u>States</u>	<u>Number</u>
I-Boston	CT, MA, ME, NH, RI, VT	(617) 565-6911
II-New York	NJ, NY, PR, VI	(212) 637-6412
III-Philadelphia	DC, DE, MD, PA, VA, WV	(215) 656-5929
IV-Atlanta	AL, FL, GA, KY, MS, NC, SC, TN	(404) 562-6259
V-Chicago	IL, IN, OH, MI, WI	(312) 886-8766
VI-Dallas	AR, LA, NM, OK, TX	(214) 880-2405
VII-Kansas City	IA, KS, MO, NE	(816) 880-4090
VIII-Denver	CO, MN, MT, ND, SD, UT, WY	(303) 844-3677
IX-San Francisco	AZ, CA, HI, NV	(415) 556-4201
X-Seattle	AK, ID, OR, WA	(206) 615-2637



Reconciliation Process

1997/98 & 1998/99

- Confirmation/Appeal Process
- Status Letters mailed
- Bill Letters mailed
- Final Analysis of Program Year
- Program Year Close Out Letters mailed to schools



Reconciliation Process

1999/00

- Balance Verification Process
 - LOC mailed letters and processed school responses
 - Issues worked by the LOC
- LOC mailed Program Year Closeout Letters to schools
 - Program Year Closeout Date (July 31, 2001)
- Confirmation/Appeal Letters
 - LOC mailed letters and processed school responses
 - Issues worked by the LOC



Electronic Access Conference
emagine
2001

Manual Fixes



THE U.S. Department of
EDUCATION

Session 14 -10

Manual Fixes

The types of data that can be processed manually include

- Origination records
- Disbursements
- Adjustments
- Transactions between program years which need to be processed after GAPS has been closed for prior program years



Rapid Reconciliation and Program Year Close Out

1997/98 & 1998/99

- Forward outstanding issues to Case Management & Oversight (CMO) for their review
- Establish Receivables through CMO for outstanding positive balances



Rapid Reconciliation and Program Year Close Out

**Program Year Close Out
for
2000/01
is
July 31, 2002**



Rapid Reconciliation and Program Year Close Out

2000/01

- Program Year Close Out - July 31, 2002
- Common Procedures
 - Balance Verification
 - Site Visits
 - Confirmation/Appeal Letters



Rapid Reconciliation and Program Year Close Out

- Inform schools of expectations and timeline
- Reconciliation Accountants at the LOC play a much larger role in the process
 - Participate in site visits
 - Conduct balance verification
 - Track schools who have finished processing for each year
 - Work with schools to resolve outstanding issues



Rapid Reconciliation and Program Year Close Out

2000/01 continued...

- Program Year Closeout Letters mailed to schools as schools confirm zero ending cash balance
- Selectively stop receiving and process batch data at the Loan Origination Center
- Forward outstanding issues to CMO for their review
- Establish Receivables through CMO for outstanding positive balances



Rapid Reconciliation and Program Year Close Out

- Redefine PYCO deadline to fall in line with time schools actually finish disbursing for a Program Year:
 - Schools with scheduled academic years with summer as a header
 - Schools with scheduled academic years summer as a trailer
 - Schools using borrower based academic years



Program Year Closeout For 2001/2002 is December 31, 2002



THE U.S. Department of
EDUCATION

Session 14 -18



Rapid Reconciliation and Program Year Close Out

2001/02

- Program Year Close Out -
 - **December 31, 2002**
- Common Procedures
 - Balance Verification
 - Site Visits
 - Confirmation/Appeal Letters



Rapid Reconciliation and Program Year Close Out

2001/02 continued...

- Program Year Closeout Letters mailed to schools as schools confirm zero ending cash balance
- Selectively stop receiving and processing batch data at the Loan Origination Center
- Forward outstanding issues to CMO for their review
- Establishing Receivables through CMO for outstanding positive balances



Rapid Reconciliation and Program Year Close Out

Program Year Close Out
for
2001/2002
is
December 31, 2002



Rapid Reconciliation and Program Year Close Out

Increased Monitoring

- Use LO-Online Reports to monitor activity related to Direct Loan processing weekly
- Proactively contact schools in a priority order based on ending cash balance, unbooked loans, loan period end dates
- Use LO-Online with schools to help them resolve issues



Rapid Reconciliation and Program Year Close Out

Confirming Close Out

- Schools can confirm they are finished with Program Year Close Out (PYCO)
- What will happen next?
 - Processing at LOC will cease for that year
 - GAPS processing will cease for that year
 - Close Out letter will be sent



Reconciliation Tools

- Reports
 - 30-Day Warning
 - New Format! DLSAS
 - 732
 - Other Reports
- LO-Online
 - Turn Reports On or Off
- Compare Program
- Direct Loan Tools Software



Can choose either DLSAS or 732 Report

In 2001/02 you can receive the DLSAS in a

- Text format (current format) - DSAS02OP
- Delimited (new format) - DSAC02OP

■ The DLSAS has six sections

- Monthly and YTD Cash Summary
- Monthly and YTD Disbursement Summary by Loan Type
- Cash Detail
- Loan Detail



732 Report - 2001/02

- You can receive the 732 in one of the following options:
 - Current 732 Loan Detail Report with new Year-to-Date Disbursement Summary by loan type
 - New 732 Disbursement Activity Report
- A separate Cash Summary file is provided with both options (ED1302OP/ED1102OP)

- 

A collage image featuring a person in a red shirt using a laptop, a large classical building with a dome, and a person kneeling on a red carpet.

Direct Loan Bulletins

Direct Loans



LO-Online Website: *<http://lo-online.ed.gov>*

Provides:

- Access to batch and transaction information
- Access to loan information by school ID
- New:
 - Batch Reports Option
 - Master Promissory Review
 - Change Record Processing



Maintain Batch Reports

- 30-Day Warning Report
 - Disable
 - Specify format
- DLSAS
 - Disable
 - Specify format
- Disb Activity Not Yet Booked in Servicing
 - Disable
 - Specify format
- 732
 - Disable (only if program year is closed)
 - Specify format



Maintain Batch Reports--Disable

Direct Loan Origination **online**

Exit System

FAQ Site Assistance Contact Us

Get Help

Main Menu

Batch Processing

Maintain Batch Report Options

Credit Check Processing

Direct Loan Servicing

Entrance Counseling

Loan Information Review

Loan File Rebuild

Maintain User Password

Master Promissory Note Review

Audit History

People Information Review

User Registration

Batch Report Option Disable Selection

Selection Summary

School:	G23519
School Name:	CALIFORNIA COLLEGE OF TECHNOLOGY
Report:	30-DAY WARNING REPORT
Option:	Disable

Click on the check box below to update

Batch Summary

Select	Program Year
<input checked="" type="checkbox"/>	1994/1995
<input checked="" type="checkbox"/>	1997/1998
<input type="checkbox"/>	1998/1999
<input type="checkbox"/>	1999/2000
<input type="checkbox"/>	2000/2001

Update

5 Reports found matching search criteria.

Glossary

Site Map

Exit System



MPN Review


- Check to see if student has an MPN on file
- Displays:
 - Loan Year
 - Status
 - Date of MPN
 - Expiration Date
- Indicator for electronic versus paper

Direct Loan Origination - Master Promissory Note Detail - Microsoft Internet Explorer

FileEditViewGoFavoritesHelp

BackForwardStopRefreshHomeSearchFavoritesHistoryChannelsFullscreenMailPrint

Addresshttps://lo-online.ed.gov/lo/servlet/lo.controller.LOController



Direct Loan Originationonline

FAQSite AssistanceContact UsExit System

Main Menu

Batch Processing

Download Reports

Loan Information Review

Maintain User Password

Master Promissory Note Review

Online Reports

People Information Review

Master Promissory Note Review

Name	Josiah Bartlet
SSN	111-11-1111
Date of Birth	01-01-1945

Master PNote Detail

Loan Year	Status	Date of MPN	Expiration Date	Type
2001/2002	Accepted	07/27/2001	08/18/2001	ELECTRONIC PNOTE

GlossarySite MapExit System

javascript:popup('http://www.ed.gov/offices/OPE/DirectLoan/',650,450)

StartInbox - Microsoft OutlookDirect Loan Originati...4:02 PM

Batch Processing

- Identify rejects
 - duplicate batches
 - rejected records
 - rejected disbursements
- Resolve problems

- Main Menu
- Batch Processing
- Download Reports
- Loan Information Review
- Maintain User Password
- Master Promissory Note Review
- Online Reports
- People Information Review

Batch Selection



School Code:	<input checked="" type="radio"/> G <input type="radio"/> E
School Number:	<input type="text" value="0"/>
Type:	Disbursement Export
Begin Date:	<input type="text" value="05152001"/> (MMDDCCYY)
End Date:	<input type="text" value="10152001"/> (MMDDCCYY)
<input type="button" value="Search"/>	

The Batch Selection search is limited to a six-month window. The Batch End Date will default to the current date. The Batch Start date will default to approximately 6 months prior to the current date. The system will limit the search to 6 months if the time between the two dates exceeds 6 months.

- Main Menu
- Batch Processing
- Download Reports
- Loan Information Review
- Maintain User Password
- Master Promissory Note Review
- Online Reports
- People Information Review

Batch Processing



Selection Summary

School:	GC
School Name:	CAI
Begin Date:	5/15/2001
End Date:	10/15/2001

Click on a Batch ID from the list below to view detailed information about the individual.

Batch Summary

Batch ID	Academic Year	Date/Time Processed	Type	Status	Title IV Message Class
#H1G0114120010517111440	2000/2001	05/18/2001 00:00	Disbursement Export		DESD01IN
#H0G0114120010517111549	1999/2000	05/18/2001 00:00	Disbursement Export		DESD00IN
#H1G0114120010614115443	2000/2001	06/14/2001 00:00	Disbursement Export		DESD01IN
#HG01141061401901	1998/1999	06/14/2001 00:00	Disbursement Export		DESD99IN
#H1G0114120010619102247	2000/2001	06/19/2001 00:00	Disbursement Export		DESD01IN

..... J-01- G01141-0-01	FLOWERS,	Accepted	06/19/2001 00:00
U-01- G01141-0-01	LUTZ,	Accepted	06/19/2001 00:00
..... J-01- G01141-0-01	LUTZ,	Accepted	06/19/2001 00:00
-01- G01141-0-02	QUINTERO,	Rejected	06/19/2001 00:00
-01- G01141-0-02	QUINTERO	Rejected	06/19/2001 00:00
-01- G01141-0-02	SAUCEDO,	Accepted	06/19/2001 00:00
S-01- G01141-0-02	SAUCEDO,	Accepted	06/19/2001 00:00
U-01- G01141-0-02	HEWSON,	Accepted	06/19/2001 00:00
U-01- G01141-0-02	HEWSON,	Accepted	06/19/2001 00:00
..... J-01- G01141-0-01	GRIFFIN,	Accepted	06/19/2001 00:00
-01- G01141-0-01	GRIFFIN,	Accepted	06/19/2001 00:00
..... J-01- G01141-0-02	SMITH, S	Accepted	06/19/2001 00:00
J-01- G01141-0-01	LIM,	Accepted	06/19/2001 00:00
..... U-01- G01141-0-01	LIM,	Accepted	06/19/2001 00:00
-01- G01141-0-02	BELL,	Accepted	06/19/2001 00:00

Main Menu

[Batch Processing](#)[Download Reports](#)[Loan Information Review](#)[Maintain User Password](#)[Master Promissory Note Review](#)[Online Reports](#)[People Information Review](#)

Batch Error Detail



Transaction Detail

Batch ID:	#H1G0114120010619102247
Type:	Disbursement Export
Loan ID:	-01-G01141-0-02
Status:	Rejected
Date/Time Processed:	06/19/2001 00:00

Error Detail

Code	Description
QD	THE ACTIVITY DATE SHOULD BE NO MORE THAN 10 DAYS PRIOR TO THE LOAN PERIOD START DATE AND NO MORE THAN 90 DAYS AFTER THE LOAN PERIOD END DATE

1 errors found for this transaction.

**Direct
Loans**[Glossary](#)[Site Map](#)[Exit System](#)



LO Online Reports Available from your CAM

- ECB including total cash receipts, booked and unbooked loans
- Detailed information on unbooked loans
- Cash receipts by program year
- Excess cash totals



Ending Cash Balance

CA

41)

Program Year: 2000/2001
 Region: 09 CAM: Davis State: CA

Beginning Balance + Total Net Cash - Total Net Booked Disbursements = Ending Cash Balance (3/3)

	Booked Benchmark PYTD: 09/30/2001	Unbooked Benchmark PYTD: 09/30/2001
Net Disbursements (Sub)	\$15,544,984.00	\$79,327.00
Adjustments	-268,776.00	-6,083.00
Cancellations	.00	.00
Total Net Disbursements (Sub)	\$15,276,208.00	\$73,244.00
Net Disbursements (Unsub)	3,589,125.00	29,813.00
Adjustments	-63,144.00	-2,668.00
Cancellations	.00	.00
Total Net Disbursements (Unsub)	\$3,525,981.00	\$27,145.00
Net Disbursements (PLUS)	.00	.00
Adjustments	.00	.00



Net Disbursements (Total)	19,134,109.00	109,140.00
Adjustments	-331,920.00	-8,751.00
Cancellations	.00	.00

Total Net Disbursements	\$18,802,189.00	\$100,389.00
--------------------------------	------------------------	---------------------

Cash Balances**Benchmark Date**

A. Beginning Cash Balance	\$0.00
---------------------------	--------

B. Cash Receipts	19,198,902.00
------------------	---------------

C. Excess Cash	34,580.28
----------------	-----------

D. Total Net Cash (D=B-C)	\$19,164,321.72
---------------------------	-----------------

E. Booked Disbursements	19,134,109.00
-------------------------	---------------

F. Booked Adjustments	-331,920.00
-----------------------	-------------

G. Booked Cancellations	.00
-------------------------	-----

H. Total Net Booked Disbursements (H=E+F-G)	\$18,802,189.00
--	-----------------

I. Ending Cash Balance (I=A+D-H)	\$362,132.72
---	---------------------

J. Total Net Unbooked Disbursements	\$100,389.00
-------------------------------------	--------------

K. Adjusted Ending Cash Balance (K=I-J)	\$261,743.72
--	---------------------

Enter a start date (CCYYMMDD):

Enter an end date (CCYYMMDD):

[Run Report](#)

Links to Detail Reports:

[Unbooked Disbursements](#)[Drawdown Report](#)[Excess Cash Report](#)

Internet



Unbooked Disbursement List

Program Year: 2000/2001 End Date: 09/30/2001
Region: 09 CAM: Davis State: CA

Loan ID	Student Name	Disb Number	Disb Seq Number	Trans Type	Disb Date	Received Date	Gross	Fee	Interest Rebate	Net Disb Amt
U01G01141001		1	1	D	07/17/2001	07/19/2001	2,539.00	76.00	.00	2,463.00
		2	1	D	07/17/2001	07/19/2001	2,539.00	76.00	.00	2,463.00
S01G01141001		1	1	D	06/18/2001	06/19/2001	1,750.00	52.00	.00	1,698.00
		2	1	D	06/18/2001	06/19/2001	1,750.00	52.00	.00	1,698.00
S01G01141001		1	1	D	06/14/2001	06/14/2001	875.00	26.00	.00	849.00
		2	1	D	06/14/2001	06/14/2001	875.00	26.00	.00	849.00
S01G01141001		1	1	D	07/09/2001	07/19/2001	593.00	17.00	.00	576.00
		2	1	D	07/09/2001	07/19/2001	593.00	17.00	.00	576.00
U01G01141001		1	1	D	07/09/2001	07/19/2001	782.00	23.00	.00	759.00
		2	1	D	07/09/2001	07/19/2001	782.00	23.00	.00	759.00
U01G01141001		1	1	D	10/16/2000	10/16/2000	2,750.00	82.00	.00	2,668.00
		1	2	A	11/10/2000	11/29/2000	-2,750.00	-82.00	.00	-2,668.00
S01G01141002		1	1	D	06/22/2001	07/19/2001	656.00	19.00	.00	637.00
		2	1	D	06/22/2001	07/19/2001	656.00	19.00	.00	637.00
S01G01141002		1	1	D	06/27/2001	07/19/2001	210.00	6.00	.00	204.00
		2	1	D	06/27/2001	07/19/2001	204.00	6.00	.00	198.00
S01G01141001		1	1	D	06/25/2001	07/19/2001	625.00	18.00	.00	607.00



Drawdown Report

Program Year: 2000/2001 End Date: 09/30/2001
Region: 09 CAM: Davis State: CA

<u>GAPS Debit Date</u>	<u>Drawdown Amount</u>	<u>GAPS Control Number</u>
08/23/2000	\$3,972,093.00	2000082386885
08/31/2000	\$484,514.00	2000083092553
09/15/2000	\$1,859,775.00	2000091504293
09/27/2000	\$446,203.00	2000092713576
10/04/2000	\$535,603.00	2000100419256
10/24/2000	\$613,565.00	2000102434448
10/30/2000	\$165,077.00	2000103039231
10/31/2000	\$23,512.00	2000103140392
11/14/2000	\$166,829.00	2000111451540
11/16/2000	\$104,711.00	2000111653717
12/01/2000	\$58,850.00	2000113063482
12/12/2000	\$93,151.00	2000121171060
12/19/2000	\$118,000.00	2000121977412
01/04/2001	\$33,000.00	2001010485579
01/11/2001	\$35,785.00	2001011190783
01/25/2001	\$24,000.00	2001012401068
01/25/2001	\$6,600,177.00	2001012401073
02/02/2001	\$391,461.00	2001020107827
02/05/2001	\$259,656.00	2001020509919
02/05/2001	\$272,000.00	2001020509450



Excess Cash Report

Program Year: 2000/2001 End Date: 09/30/2001
Region: 09 CAM: Davis State: CA

<u>Applied Date</u>	<u>Received Date</u>	<u>Transaction Number</u>	<u>Applied Amount</u>
07/05/2001	07/05/2001	434695	34,580.28
TOTAL			34,580.28

Enter a start date (CCYYMMDD):

Enter an end date (CCYYMMDD):

View All Program Years

Back One Level

Back to Options

Excel Version

Print Version

Help

**Direct
Loans**



Direct Loan Reconciliation Tools Continued...

Compare Program Direct Loan Tools Software



Compare Program

The Compare Program is a Microsoft Access database that was developed by the Direct Loan Client Account Management Group (DLAMG) to assist you in electronically comparing your school data with the 732-LOS Detail Report.

Compare Program

- The Compare Program will:
 - Identify misallocated or missing drawdowns or returns of excess cash*
 - Determine loan records that need to be submitted to the LOC
 - Identify any outstanding loans that need to be booked

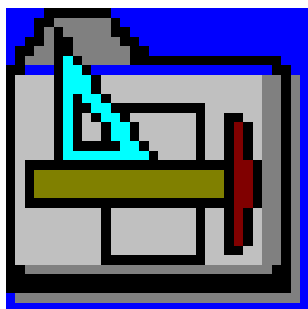
* Cash entries were optional

Compare Program

- The Compare Program will not:
 - Tell you why a cash* or loan record is missing or mismatched
 - Resolve internal school issues
 - Tell you why a loan is unbooked
 - Absolve school of responsibility for bringing a school to a zero ending cash balance

* Cash entries were optional

Direct Loan Tools Software



- Rebuild and Compare
- Cash Management
- 732 Compare

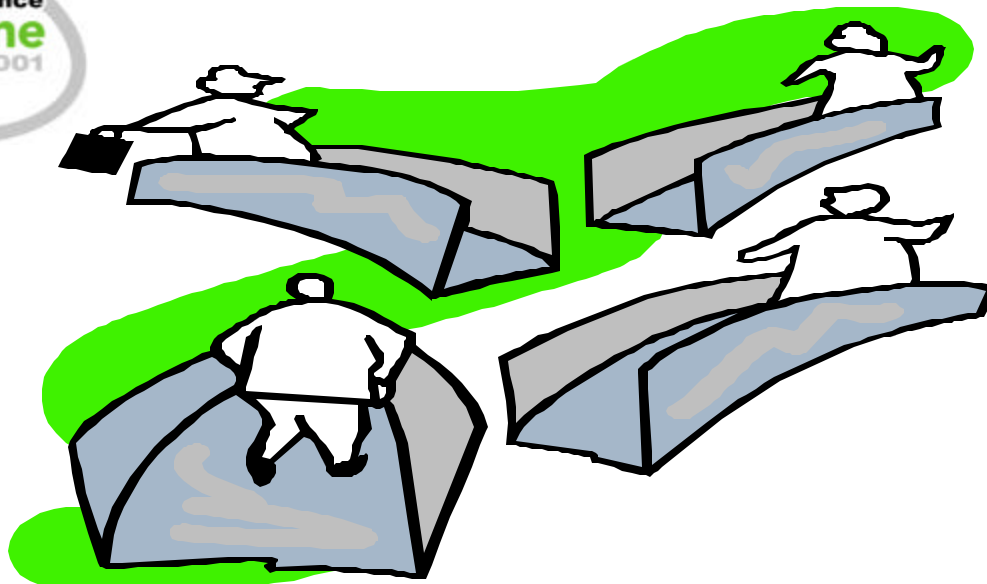


Rebuild, Cash Management & Compare

- DL Tools provides functionality to:
 - Rebuild an EDEExpress database
 - Track cash receipts (drawdowns) and returns of excess cash
 - Compare the 732 report to actual disbursement records
- DL Tools can be used with custom or combination systems as well as EDEExpress



Electronic Access Conference
emagine
2001



**To Meet Our Goal,
We Can't Go
Off In Different Directions.**

U.S. Department of
EDUCATION

Session 14-50



Electronic Access Conference
emagine
2001



We Must Work Together!

THE U.S. Department of
EDUCATION

Session 14-51



Electronic Access Conference
emagine
2001

Questions

THE U.S. Department of
EDUCATION

Session 14-52